

INSTRUCTIONS FOR COMPLETING BUSINESS ENTITY REPORT OF AGRICULTURAL ACTIVITY

Please Note: THIS REPORT IS TO BE COMPLETED AND RETURNED ONLY BY ENTITIES ENGAGED IN FARMING OR RANCHING

The Nebraska Legislature has enacted legislation (LB1193, 1998) requiring corporations, limited liability companies, limited liability partnerships, limited partnerships and trusts which have an interest in land used for farming or ranching or engage in any farming or ranching activity in Nebraska to report certain information to the Secretary of State. The law, relevant portions of which are printed on the back of this page, was passed as a reporting mechanism for Article XII, Sec. 8 of the Nebraska Constitution, popularly known as Initiative 300. **The law requires the Secretary of State to dissolve certain businesses if they falsely report or fail to report agricultural land ownership or agricultural activity.**

Please Note: 1) Business entities listed on the report who are partners in any partnership having an interest in agricultural land or engaging in agricultural activity are also required to report.

2) This report only needs to be turned in once, there are no set periodic reporting requirements. However, you are required to fill out a new report if any information contained in the report changes.

3) *Corporate* trustees are required to report under this act. Trusts are not required to report. Please attach or include the name of the corporate trustee.

Please return the completed form to: John A. Gale, Secretary of State; Suite 2300; P.O. Box 94608; State Capitol; Lincoln, NE 68509.

Please see the back of the report form for the full text of Initiative 300 and further definition and explanation of terms and exemptions on the report form.

STEP BY STEP INSTRUCTIONS:

1. *Exact Name of Business:* Please state the exact name of the business as it appears on legal papers, organizational documents filed with the Secretary of State, etc.

2. *Business Address:* Please provide the address of the principal office of the business in Nebraska, if there is no principal office please list an authorized agent office in Nebraska.

3. *Type of Business Organization:* Please check the appropriate line.

4. *Describe the Agricultural Enterprises:* Check or list all that apply. Attach additional pages if needed. **If your business is not engaged in farming or ranching or does not own land used for farming or ranching, you do not need to file a report, see section 8, subsection 1, on the back of the report for a definition of Farming and Ranching.**

5. *County or Counties:* Please list all Nebraska counties where the reporting business has an interest in agricultural land or engages in agricultural activity.

6. *Does the Entity Contract with Others:* Mark the appropriate line only if the business entity which is reporting contracts with another person or business entity engaged in farming or ranching for the care or production of crops or raising of livestock.

7. *Nebraska Law Prohibits:* This section lists the exemptions to the Initiative 300 constitutional prohibition against corporate farming. There are fourteen specific exemptions. The six most common are listed on the front of the reporting form. Other exemptions are listed on the back. If the appropriate exemption for your business is not listed on the front of the report, please check the box marked "Other" and give the letter of the exemption as listed on the back of the report. Check all that apply. If you check exemption A you must provide the name and address of the family member who is an owner or member and engages in the day to day labor and management or resides on the property used for farming or ranching.

8. *Printed Name of Authorized Representative:* The law requires persons "serving as the president, a general partner, any other officer, or an authorized representative of a corporation, limited partnership, limited liability partnership, or limited liability company or a corporate trustee of a trust shall report to the Secretary of State" to report.

SELECTED STATUTES

Neb. Rev. Stat. §76-1520. (1) A person serving as the president, a general partner, any other officer, or an authorized representative of a corporation, limited partnership, limited liability partnership, or limited liability company or a corporate trustee of a trust shall report to the Secretary of State:

(a) Any interest in real estate held by the corporation, limited partnership, limited liability partnership, limited liability company, or trust used for farming or ranching in this state as defined under Article XII, section 8, of the Constitution of Nebraska;

(b) Any activity or enterprise performed, conducted, or engaged in by the corporation, limited partnership, limited liability partnership, limited liability company, or trust defined as farming or ranching in this state under Article XII, section 8, of the Constitution of Nebraska; and

(c) Whether the corporation, limited partnership, limited liability partnership, limited liability company, or trust contracts with others engaged in farming or ranching for the care or production of agricultural commodities, including livestock.

(2) The reports required by this section shall be open to the public.

(3) For purposes of sections 76-1520 to 76-1524, interest in real estate used for farming or ranching includes legal, beneficial, and other interests, including interests held by a corporation, limited partnership, limited liability partnership, limited liability company, or trust in a general partnership holding real estate used for farming or ranching, but does not include an interest in real estate used for farming or ranching acquired by a corporation, limited partnership, limited liability partnership, limited liability company, or trust by process of law in the collection of debts or by any procedures for the creation or enforcement of a lien, encumbrance, or claim on the real estate, whether created by mortgage or otherwise.

Neb. Rev. Stat. §76-1522. (1) Failure to report the information required by section 76-1520 or the filing of false information shall be cause for dissolution or cancellation of registration of the corporation, limited partnership, limited liability partnership, or limited liability company or revocation of authority to transact business in this state in the manner provided in this section.

(2) If the Secretary of State has reason to believe a corporation, limited partnership, limited liability partnership, or limited liability company required to report pursuant to section 76-1520 has failed to report, or has filed a false or incomplete report, the Secretary of State shall send to the registered agent of such entity by certified mail a notice stating that if the defect is not corrected within sixty days after receipt of notice the entity shall be dissolved or its registration shall be canceled.

(3) If the Secretary of State determines that the entity has not corrected the defect upon the expiration of sixty days after notice of failure to report, false reporting, or incomplete reporting, the entity shall be dissolved or its registration canceled. Notice of such cancellation shall be sent by certified mail to the registered agent of the entity.

(4) A business entity dissolved or canceled pursuant to this section may have its existence reinstated at any time by submitting a report as required by sections 76-1520 to 76-1524 correcting the defect for which it was dissolved and paying a reinstatement fee of one hundred dollars to the Secretary of State. Any fees received pursuant to this section shall be remitted to the State Treasurer for credit to the Corporation Cash Fund Reports; form; contents; Secretary of State; duties.

Neb. Rev. Stat. §76-1523. (1) The Secretary of State shall use reports generated under section 76-1517 to assist in the identification of trusts engaged in farming or ranching activity as defined in Article XII, section 8, of the Constitution of Nebraska.

(2) Any corporate trustee failing to report the information required by section 76-1520 or filing false information shall be punished by a fine of not more than five hundred dollars.

(3) Any fines received pursuant to this section shall be remitted to the State Treasurer for credit to the temporary school fund.